United Nations A/66/320

General Assembly

Distr.: General
23 August 2011

Original: English

Sixty-sixth session
Item 26 of the provisional agenda*
Towards global partnerships

Enhanced cooperation between the United Nations and all relevant partners, in particular the private sector

Report of the Secretary-General

Summary

Strategic engagement between the United Nations and the private sector is evolving. From economic growth to food security, from environmental protection to global health issues, these issues overlap. There is a convergence which provides opportunities for new forms of United Nations-business cooperation for achieving development goals in an integrated and sustainable manner. The past few years have seen significant progress in bringing the voice of the private sector into the work of the Organization and in developing innovative forms of collaboration that build upon key lessons learned. In prior resolutions, most recently in resolution 64/223, the General Assembly has made a number of recommendations for ensuring more effective and transparent partnerships and for overcoming key operational challenges while also protecting the integrity and reputation of the United Nations. The recommendations have contributed to the development of more mature and more strategic collaborations which put a premium on larger scale and impact. In order to ensure that the United Nations is at the forefront of efforts to more effectively

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leverage the contributions of the private sector in achieving development objectives, a more strategic and harmonized approach is needed. Efforts are also needed to: further strengthen the enabling environment for partnerships; identify and replicate successful partnership models for achieving impact and scale; improve partner selection and engagement processes as well as capacity-building and training of United Nations staff; share best practices and lessons learned; and educate United Nations staff on the benefits of evaluation and impact assessment. The United Nations-business relationship must be carefully fostered. Appropriate attention is required to ensure that recommendations are implemented in alignment with the values of the United Nations and its Member States and strengthen the ability of the Organization to collaborate effectively with the private sector towards achieving United Nations goals.

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I. Introduction

1. The present report is submitted in compliance with General Assembly resolution 64/223, in which the Assembly requested the Secretary-General to submit a report at its sixty-sixth session on the implementation of the proposed modalities for enhanced cooperation between the United Nations and all relevant partners, in particular the private sector.

2. Five previous reports of the Secretary-General have dealt with cooperation between the United Nations and relevant partners (A/56/323, A/58/227, A/60/214, A/62/341 and A/64/337). The present report builds on those reports and provides an overview of recent developments with regard to the ways the United Nations works with the private sector, illustrating accomplishments as well as lingering challenges.[1]

3. The relationship between the United Nations and the private sector continues to evolve. Whereas a decade ago the "learning by doing" collaborative process was still in its germination phase, we now see a phase of maturation where partnerships are an increasingly acknowledged tool for United Nations entities to achieve development goals, particularly the Millennium Development Goals. This maturation has been a driver for more strategic approaches which emphasize new partnership models, results, a greater acceptance of the business case for partnerships and an increasing concentration of partnerships in areas where there is value in collaboration for both the United Nations and its business partners.

4. At the same time, companies in developed and emerging economies are increasingly integrating social innovation and sustainability into their core business strategies and their supply chains. Thus, the interests of the United Nations and business increasingly overlap, putting a premium on cooperation for providing public goods while promoting market stability and growth. Systemic issues such as economic growth, environmental challenges, global health, food security and access to energy require multisector, multi-stakeholder approaches in order to be solved in an integrated and lasting manner.

5. The United Nations is uniquely positioned to act as an agent of change for encouraging companies to build on ad hoc corporate social responsibility towards more strategic participation in solving global challenges. The convergence of interests between the public and the private sector has provided an opportunity for exploring innovative models for collaboration and for achieving impact and scale. The result of this convergence has led to a number of new developments, which include:

- Together with a number of private sector leaders, the United Nations is exploring the concept of "transformational partnerships", multi-stakeholder collaborations which create impact at a systemic level across sectors and geographies.

[1] The present report draws on several sources: a formal consultation of Governments; an online survey of 23 United Nations agencies, funds and programmes; in-depth interviews with staff members across the entire United Nations system (20); United Nations-private sector focal points meetings; case studies; and a thorough review of the relevant academic literature on the subject.

- Innovative financing models such as cause-related marketing and social media are providing new opportunities for scaling up fund-raising and advocacy activities.
- Partnerships are increasingly utilizing the skills and potential of women, recognizing that empowering women is a driver of sustainable development.
- In the wake of catastrophic natural disasters such as the 2010 earthquake in Haiti, new partnership models are being tested in order to improve disaster preparedness and response.

6. Nevertheless, a number of challenges remain which require attention. In addition to ongoing operational challenges, the United Nations must ensure that its reputation and credibility are protected as the private sector contributes more deeply to the work of the Organization.

II. The concept of partnerships

7. Partnerships are voluntary and collaborative relationships between various parties, both public and non-public, in which all participants agree to work together to achieve a common purpose or undertake a specific task, and to share risks, responsibilities, resources and benefits.

8. In *core business and value chain partnerships*, the United Nations mobilizes the innovative technologies, processes, financing mechanisms, products, services and skills of the private sector to create wealth and employment, as well as develop and deliver affordable goods and services. That may also include jointly supporting the development of integrated value chains in market sectors with potential for sustainable growth and a transition to better remunerated forms of employment. Such partnerships may also aim to increase access to goods and services that contribute to reducing poverty (i.e., base of the pyramid investment opportunities).

Box 1
Core business and value chain partnerships

Vegetable Oil Development Project in Uganda

The Vegetable Oil Development Project, funded by the International Fund for Agricultural Development (IFAD), was conceived in the mid-1990s to address the low per capita intake of vegetable oils and reduce Uganda's heavy reliance on imported vegetable oils by promoting domestic production. The project pursued a two-pronged strategy with the introduction of oil palm and the development of traditional oilseeds. This partnership has leveraged foreign direct investment (greater than US$ 120 million) to produce an essential food commodity domestically, while creating factory and plantation jobs for about 3,000 smallholder producers. The mutual dependency between the palm oil mill and the participating smallholders constitutes the basis of this intervention, providing a secure market for producers and guaranteeing a supply of raw material for primary processing to the palm oil mill.

Ethical Fashion Programme

The Ethical Fashion Programme of the International Trade Centre (ITC) in Kenya helps small and medium-sized businesses in the fashion sector to export their products. The Programme connects some of the world's most marginalized people with the top of fashion's value chain for mutual benefit. It enables communities of artisans and micromanufacturers — the majority of them women — to thrive in association with the fashion industry. This develops local creativity, fosters predominantly female employment, reduces poverty and promotes gender equality. More than 7,000 people who live in conditions of extreme poverty have gained employment through the Programme.

9. In *strategic social investment and philanthropy partnerships*, the United Nations mobilizes private sector resources for public goals. That may include financial support, social venture funds, in kind/pro bono goods and services, and corporate volunteers as well as technical expertise and support.

Box 2

Strategic social investment and philanthropy partnerships

New Software for Improved Communication

A global software company has entered into a partnership with the United Nations High Commissioner for Refugees (UNHCR) to improve the quality of life for UNHCR staff working in conditions of extreme hardship and isolation. New software allows humanitarian workers around the world to communicate with families and friends, even in the most remote parts of the world, at low cost. Subsequent phases of the project will also develop communication booths to be placed in refugee camps, enabling refugees to reach family and friends across borders and facilitate protection operations, repatriation, resettlement and family reunification.

The LIFE Partnership

The core of the partnership between the United Nations Industrial Development Organization (UNIDO) and a global technology company is the Learning Initiative for Entrepreneurs (LIFE), a new entrepreneurship and information technology (IT) training programme. The LIFE curriculum teaches entrepreneurs hands-on business and IT solutions in the areas of marketing, operations, communication and finance for various stages of entrepreneurship. It is made available through local non-profit training partner organizations in Africa, Asia, Latin America and the Middle East. To date, the partnership has set up 93 LIFE centres in 13 countries, certified 270 trainers, trained more than 42,000 students and created over 17,000 jobs.

10. In *advocacy and public policy engagement partnerships*, the United Nations engages the private sector to advocate for issues in support of the United Nations goals among the general public, policymakers or business. Partnerships can be used to bridge governance gaps or market failures, engage in public policy dialogue, support effective regulations, strengthen public institutions and administrative capacity, and support reforms at the local, national and global levels.

Box 3
Advocacy and public policy engagement partnerships

HIV Activist Campaign

The Joint United Nations Programme on HIV/AIDS (UNAIDS) and an international cosmetics company have launched a three-year campaign calling for increased activism against HIV in hopes of raising awareness of the issues surrounding HIV. The global campaign, called "Be an activist", appeared in the company's stores around World AIDS Day in 2010. The campaign urges people to take personal responsibility and lead the way in the fight against HIV. In addition, celebrities lend their images in support of the campaign.

Better Work Programme

Better Work is a partnership between the International Labour Organization (ILO) and the International Finance Corporation (IFC) aiming to improve both compliance with labour standards and competitiveness in global supply chains. Better Work involves the development of global tools and country-level projects, with a focus on scalable and sustainable solutions that build cooperation between Governments, employers' and workers' organizations, and international buyers. The Programme also supports enterprises in implementing the ILO core international labour standards and national labour law. Moreover, the Better Work Buyers' Forum provides a way for international buyers to coordinate input to Better Work and acts as an incubator for new ideas on responsible supply chain management.

11. United Nations agencies, funds and programmes are increasingly taking a diversified approach towards achieving larger scale and impact, including through top-down, global multi-stakeholder partnership models and bottom-up, market-based collaborations at the country level.

12. Additionally, efforts to advance the United Nations-private sector partnership agenda are also being undertaken by the United Nations Office for Partnerships (UNOP) and the United Nations Fund for International Partnerships (UNFIP). For further information, see the Secretary-General's report to the General Assembly on the work of UNOP (A/66/188).

III. Member States and partnerships

13. States Members of the United Nations play an essential role in promoting responsible business practices in their respective territories and worldwide, while also providing support to United Nations efforts to engage with the private sector. Together with Member States, the United Nations facilitates the creation of an enabling business environment for the private sector, for example, the rule of law, good governance, accountability, transparency and respect for human rights.

14. Member States widely share the view that private sector development is essential for promoting sustainable and broad-based growth in developing countries. While official development assistance remains of importance for achieving development goals, development cooperation must attract broad-based participation from partner countries, businesses and private sector organizations and private foundations.

IV. Developments at the system level

15. The United Nations has taken a number of important steps at the summit and General Assembly level for more actively involving the private sector in the work of the Organization. The Fourth United Nations Conference on the Least Developed Countries, held in May 2011, saw a major innovation with the introduction of the Private Sector Track, a platform for including senior business representatives in discussions on promoting sustainable development.

16. Owing to its success, a number of Member States, including Brazil, Costa Rica, Turkey, the United Kingdom of Great Britain and Northern Ireland and the United States of America, have called for a private sector track at the 2012 United Nations Conference on Sustainable Development (Rio+20).

17. The annual United Nations Private Sector Forum, a high-level event organized by the United Nations Global Compact includes over 350 Heads of State and Government, heads of United Nations agencies, chief executive officers and heads of civil society organizations. The aim is to identify effective ways to accelerate progress towards reaching the Millennium Development Goals, to stimulate action towards that target and to highlight ways in which Governments can facilitate further business engagement for development. Moreover, the triennial Global Compact Leaders Summit brings together leaders from all sectors to promote responsible business and investment needed to move towards more sustainable and inclusive markets.

Box 4

The Private Sector Track of the United Nations Conference on the Least Developed Countries

Organized by a private sector steering committee, led by the Global Compact in coordination with the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the Private Sector Track of the Fourth United Nations Conference on the Least Developed Countries convened more than 500 chief executives and senior business representatives with leaders from Government, civil society and the United Nations to elevate the role of private sector investment in the sustainable development of the least developed countries. The Private Sector Track marked an important milestone for the United Nations, as it was the first time that the private sector was fully integrated into the programme of a major United Nations conference, allowing for direct deliberations between the public and private sectors. The Private Sector Track offers a model for engaging businesses during future United Nations conferences, including the United Nations Conference on Sustainable Development (Rio+20).

18. At the level of the Secretariat, the Global Compact has pushed forward a number of initiatives aimed at improving the enabling environment for creating new partnerships with the private sector. According to survey respondents, the annual United Nations system private sector focal points meetings represent the most important tool for sharing best practices and lessons learned across the system, with over 75 per cent of respondents rating the meetings as useful or very useful. In 2010 and 2011, the meetings each convened over 100 participants, including representatives from the private sector, to discuss a wide range of issues, including managing the reputation and credibility of the United Nations, establishing coherent due diligence processes and improving evaluation and impact assessment.

19. The UN-Business Focal Point e-newsletter, published quarterly by the Global Compact Office, is designed to further enhance communication and collaboration among United Nations staff working with business. Content in the newsletter provides information on new partnership initiatives and key themes in public-private partnerships and presents tools for enhancing the ability of the United Nations to partner with businesses. Among survey respondents, over 50 per cent rate the newsletter as useful or very useful for sharing lessons learned and best practices across the United Nations system.

20. Launched in January 2010, the new United Nations-business website (business.un.org) was designed to facilitate collaboration between the United Nations and the private sector. The site provides information on past and existing partnerships and a matching function designed to better link the needs of the United Nations with the resources of businesses.

21. Together with a number of interested United Nations agencies, funds and programmes, the Global Compact launched a process for making more widely available across the United Nations system a service and other tools to aid in conducting due diligence of potential corporate partners. This process is the result of

numerous consultations with United Nations staff, who emphasized the need for a more harmonized and thorough approach for screening potential private sector partners.

22. In addition, the Global Compact, together with representatives from a number of United Nations entities, the private sector and other experts, has launched the Blueprint for Corporate Sustainability Leadership, which challenges companies to achieve higher levels of sustainability performance within the Global Compact. In addition, Global Compact LEAD is a group of 56 companies which support Global Compact participants in their efforts to achieve higher levels of corporate sustainability performance. The Global Compact LEAD Working Group is also developing a framework for identifying and optimizing partnerships and to help them to become transformational partnerships which leverage the core competencies of all relevant stakeholders to catalyse a wide-scale, lasting impact on systemic challenges.

23. Moreover, through issue-specific leadership, the Global Compact has helped to create the enabling conditions needed for making progress on the Millennium Development Goals. The Children's Rights and Business Principles, developed together with the United Nations Children's Fund (UNICEF) and another international children's rights organization, are a set of principles offering guidance on what businesses can do to support children's rights. In addition, the Women's Empowerment Principles offer guidance on how to empower women in the workplace, marketplace and community.

V. Trends at the level of agencies, funds and programmes

24. Among many partnership practitioners, there is a feeling that "the time is now" for utilizing the momentum of a renewed appetite for partnerships to develop new models of collaboration, with an overwhelming majority of the survey respondents believing that the importance of partnerships with the private sector is likely to grow. The United Nations and business leaders are driving a new set of trends which put a premium on effective partnership models for achieving impact and scale, and thus are reshaping the way the United Nations implements partnerships with the private sector.

A. Developing the concept of "transformational" partnerships

25. As recognition grows that problems such as environmental degradation, food security and global health must be addressed through cooperative strategies, multi-stakeholder partnerships which leverage the strengths of all key sectors represent a positive evolution in the way the United Nations works with the private sector and other actors.

26. The Global Compact LEAD Working Group has been developing the concept of transformational partnerships. These are defined as innovative models which include the appropriate set of stakeholders from all relevant sectors and utilize the core competencies of each partner to catalyse wide-scale changes in behaviour, achieving greater scale and impact because the benefits accrue broadly, not just to

participants in the partnership. The Group also provides guidance on critical success factors for advancing transformational partnerships.

27. The added value of transformational partnerships is that they aim to create a lasting impact on crucial systemic development issues. For example, transformational partnerships can build the market for a product or service crucial to development or change rules and systems to create a new playing field.

Box 5
Example of a transformational partnership

Project Laser Beam

Project Laser Beam is a partnership led by the World Food Programme (WFP) that seeks to eradicate child malnutrition, with an initial focus on Bangladesh and Indonesia. It brings together the expertise of United Nations agencies with that of Fortune 500 companies, and others in the private sector, to work with local governments and companies on projects focused on food and hygiene. At the end of the five-year pilot phase, the project's model will be replicated in other countries where malnutrition is prevalent. By creating a new model for public-private partnerships that is scalable, replicable and sustainable for use in other countries around the world, Project Laser Beam is serving as an ongoing pilot for determining the conditions needed for achieving "transformational" outcomes.

B. Exploring innovative financing models

28. Agencies, funds and programmes are designing new strategic approaches for scaling up fund-raising activities by exploring innovative forms of financing. "Microfund-raising" initiatives, or public fund-raising campaigns which engage a wide base of donors, are being led by UNICEF and WFP with models such as cause-related marketing and social media platforms. In cause-related marketing, United Nations entities work with a private sector partner to raise funds and awareness for a cause, while the business partner builds its sales and brand. In the most common model, the business partner's donation to the cause is linked, and often proportional, to the volume of products or services sold under the cause-related marketing campaign. The United Nations agency is shown as beneficiary of the activity by adding its name or logo to the business partner's product or service, packaging or promotional material, subject to the regulations, rules and policies of the United Nations agency concerned. In other models, the United Nations works with a business partner to raise funds from customers and employees.

Box 6
Example of an innovative funding model

WeFeedback: A New Social Media Fund-raising Platform

With the help of an advertising agency, the World Food Programme has developed a new social media platform called "WeFeedback" to raise funds to feed hungry children around the world. Users can choose their favourite food, put it into the Feedback Calculator along with the estimated cost, and then calculate how many hungry children that would feed. The next step is to donate exactly that amount, or donate multiples of that amount, to "feedback" more portions of the food. A month after its launch in April 2011, WeFeedback had raised enough money to provide meals to about 200,000 schoolchildren. WFP celebrity partners have joined in to "feedback" their favourite foods and companies have engaged their employees to participate.

C. Utilizing inclusive bottom-up approaches

29. In addition to improving the conditions for achieving impact and scale of partnerships at the global level, the United Nations is increasingly recognizing the power of bottom-up approaches to development. The race is on to develop new partnership models which focus on local business solutions and sustainable market development in low-income countries. These initiatives can promote entrepreneurship and create jobs for local populations while also integrating new producers into global supply chains — a key issue linking the interests of global companies with those of local producers. Furthermore, the development of a stronger private sector in low-income countries becomes a greater partner and multiplier for development.

30. United Nations Resident Coordinators and Global Compact Local Networks have supported both the coordination of regional partnerships and the application of global partnerships locally. For example, the United Nations Development Programme (UNDP) facilitates the development of value chains and inclusive business approaches at the country level, including through its Inclusive Market Development approach and initiatives such as the Green Commodities Facility, the Growing Inclusive Markets initiative and the Business Call to Action.

D. Harnessing the strengths and potential of women

31. The United Nations recognizes the crucial role women play in achieving development goals. Partnership models include skills and entrepreneurship training for women, promoting access to global supply chains as well as large multi-stakeholder initiatives for advocating for women's rights.

Box 7

Partnerships promoting and leveraging the skills of women

Women's Empowerment Principles

The Women's Empowerment Principles are a set of principles for business offering guidance on empowering women in the workplace, marketplace and community. The Principles, a collaboration between the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and the Global Compact, emphasize the business case for corporate action to promote gender equality and women's empowerment and are informed by business practices and input gathered from across the globe. As well as being a useful guide for the private sector, the Principles, it is hoped, will inform other stakeholders, including Governments, in their engagement with business.

Pro-Poor Hibiscus Value Chain Partnership

In an effort to improve the livelihoods of at least 5,000 vulnerable women and girls who receive income from hibiscus farming and processing, UNDP Sudan has launched the Hibiscus Value Chain initiative for women's empowerment in partnership with farmers' groups, local wholesalers and international importers. Female hibiscus farmers are trained in business and financial skills, production methods and improved varieties, international standards, processing, packaging and storage of hibiscus. The creation of this partnership was facilitated by the website business.un.org.

E. Improving the humanitarian response

32. The private sector has played a role in humanitarian action for many years. Given the severity of ongoing humanitarian crises and a dramatic increase in the number of natural disasters, private sector support for humanitarian operations has surged, creating momentum for developing innovative collaborations. This engagement ranges from financial assistance to in-kind donations, for example, through the use of the core competencies of the private sector in areas such as transport, logistics, information technology and telecommunication, which are crucial to ensure timely aid in humanitarian emergencies.

Box 8

Examples of humanitarian partnership

The Libya Crisis Map

As in the early stages of most humanitarian emergencies, managing limited, dispersed or disorganized information posed a challenge for aid workers during the 2011 crisis in the Libyan Arab Jamahiriya. As a result, the Office for the Coordination of Humanitarian Affairs approached the Standby Task Force, a network of crisis-mapping

volunteers, to gather information and make it available on an online map. An African technology company developed the open-source platform that was used for the online crisis map. This project demonstrates how diverse partners can add value to emergency response.

Technology Partnership

The Technology Partnership between the United Nations Foundation and a global telecommunications company was created in 2005 through a combined 15 million pounds sterling commitment to leveraging mobile technologies to strengthen humanitarian work. The partnership focuses on global health, disaster relief and research and innovation. Together with WFP and a non-governmental organization, the Partnership works to improve access to life-saving technology and telecommunications in areas affected by natural disasters, conflicts and famines. Partner funding and support enables WFP and the non-governmental organization to undertake capacity-building and to deploy anywhere in the world within 48 hours of any emergency to help to restore communications systems.

VI. Addressing key operational challenges

33. The United Nations has made considerable efforts to address key operational challenges. Developments at both the system level and the level of agencies, funds and programmes have strengthened the enabling environment for new United Nations-business collaborations; improved the capacity of staff through training and the sharing of best practices and lessons learned; and refined approaches towards partnership screening, selection and impact assessment.

A. Strengthening the enabling environment for partnerships

34. Further efforts are required to reduce transaction costs within the United Nations. While a number of entities have developed partnership agreement legal templates and have a knowledgeable legal officer to mitigate the potential risks of partnerships, legal obstacles and procedural complexities remain key hurdles for building more effective partnerships. United Nations agencies, funds and programmes that have not already done so should develop standardized legal templates to speed up the agreement process. The Office of Legal Affairs of the Secretariat is continuing to work on the finalization of such a template.

35. In order to ensure the reputation and credibility of the United Nations, the revised Guidelines on Cooperation between the United Nations and the Business Sector are designed to provide a common United Nations framework for collaboration with the private sector. A majority of survey respondents indicated that the new guidelines have been useful, though individual United Nations agencies, funds and programmes may need to adapt and amend those guidelines to ensure consistency with the mandate, vision and legal requirements of each entity. To implement the guidelines effectively and promote a culture of transparency and

performance, a high-level, internal advisory group is needed for the Secretariat. This advisory group would help to ensure a more coherent system-wide approach to private sector partnerships and make recommendations on best practices and lessons learned.

36. Survey respondents and interviewees confirm that the majority of agencies, funds and programmes are either in the process of developing new, or updating existing, strategies for engaging with the private sector. As a result of internal trial and error, sharing of best practices and lessons learned, and input from private sector partners, the United Nations is increasingly taking into account strategic factors for leveraging private sector resources for achieving key goals. The United Nations is also increasingly recognizing that in order for a partnership to be sustainable, there must be a business case and corresponding incentives for private sector partners.

37. To ensure that the value of partnerships with the private sector is effectively communicated to United Nations staff at both the Headquarters and country office level, leadership and senior management should set incentives for building partnerships with the private sector. Member States should also more actively support the United Nations mandate for partnering with the private sector.

38. Taking the lead from the UNHCR Council of Business Leaders, other United Nations offices, agencies, funds and programmes, such as the United Nations International Strategy for Disaster Reduction, are incorporating the advice of private sector partners into programme strategies.

Box 9

International Strategy for Disaster Reduction Private Sector Advisory Group

In May 2011, the Private Sector Advisory Group of the International Strategy for Disaster Reduction was launched at the Global Platform for Disaster Risk Reduction. The Group serves as a catalyst for bringing together a wide range of private sector entities into a global partnership for action. Comprised of 14 private sector members covering a broad range of disaster risk-related areas, including representatives from the insurance, heavy construction materials and information technology industries, the Group aims to ensure the safety of long-term investments and plan ahead to protect industry and society from disasters and economic disruptions while ensuring business continuity.

39. Externally, the United Nations needs to more effectively communicate the complementary mandates of United Nations entities to potential partners and to promote cooperation, not competition, between United Nations entities in their search for private sector partners. Strategies need to include a greater promotion of the United Nations-business website (business.un.org), as well as a continued push to implement United Nations reform proposals.

40. Evaluating the impact of partnerships and communicating positive outcomes to staff could improve overall awareness of the benefits of partnering with the private sector for helping to achieve organizational and development goals.

41. The role and capacities of United Nations Resident Coordinators and Global Compact Local Networks should be enhanced to support the coordination of regional partnerships and the application of global partnerships locally, as well as encourage the sharing of information with other United Nations private sector focal points. The private sector should be advised to liaise with the Resident Coordinators' offices and Global Compact Local Networks to better understand local needs and priorities.

B. Exploring new partnership models for achieving impact and scale

42. The growth of multi-stakeholder partnerships is a positive step towards bringing key actors together to achieve development goals. The United Nations can act as an agenda-setter to draw attention to the most crucial issues while also leveraging its convening power to bring the most relevant actors to the table. However, the United Nations needs also to be strategic in the initiatives it chooses to lead by recognizing that, in some cases, a minimal role may better contribute to partnership success.

43. The United Nations should continue to develop and implement partnerships with the private sector for achieving higher levels of impact and scale, including transformational partnerships. The Global Compact LEAD Working Group should continue to identify enabling conditions and success factors for transformational partnerships which aim to achieve systemic and lasting outcomes.

44. Agencies, funds and programmes should deepen their efforts to explore how innovative partnership models such as cause-related marketing and social media partnerships can scale up fund-raising activities and generate awareness for United Nations goals while also preserving the reputation and credibility of the United Nations.

45. Finally, recognizing that impact and scale do not only mean larger and more complex partnerships, partnership models should be designed with key performance indicators for measuring results and also ensure that the accruing benefits of the partnership outlast the life of the partnership itself.

Box 10
Examples of new partnership models for achieving impact and scale

Every Woman Every Child

Every Woman Every Child is a global effort bringing together the United Nations and multilateral organizations, Governments, philanthropic institutions, other donors, the business community, civil society, health-care professionals and academic and research institutions from around the world to support the Global Strategy for Women's and Children's Health, launched by the Secretary-General during the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals in 2010. The Global Strategy identifies key areas

where action is urgently needed to enhance financing, strengthen policy and improve service delivery, providing a new opportunity to improve the health of women and children around the world. Since it was launched last year, it has generated unprecedented commitments to action from Governments, the business community, foundations, civil society and others to reverse and end the unjust deaths and ill health women and children face.

Promoting collective action against corruption

The Global Compact and the United Nations Office on Drugs and Crime (UNODC) have joined forces with Global Compact Local Networks and implementing partners in five countries to promote transparency and ethical business performance through private-sector-led collective action initiatives. By facilitating dialogue between the private and public sectors, this project offers an opportunity for a wide range of stakeholders to explore how collective action can create incentives for anti-corruption practices consistent with the United Nations Convention against Corruption.

C. Improving capacity-building at all levels and training of United Nations staff

46. Private sector focal points within the United Nations continue to serve as an entry point for businesses into the United Nations system and act as multipliers for advocating partnerships. Country and regional offices report the assignment of private sector focal points, the hiring of new staff dedicated to partnership development and the adoption of partnership procedures and policies.

47. Despite efforts made, the lack of partnership skills is one of the most pressing hurdles for the United Nations becoming a more effective partner. Constraints on staff time and financial resources for training are often cited as key hurdles for improving staff capacities. Few entities include partnership-building skills in job descriptions, assess partnership-building skills of existing staff or develop staff exchange programmes with private sector partners subject to the provisions of the Charter of the United Nations and the regulations, rules and policies of the Organization.

48. Agencies, funds and programmes must provide existing United Nations staff with specialized partnering skills. There needs to be a greater recognition within the Organization that, while effective partnership management requires considerable time and resources, those efforts contribute significantly to partnership success.

49. Moreover, agencies, funds and programmes should consider including private sector experience as a qualification in job descriptions for partnership positions. Subject to the provisions of the Charter of the United Nations and the regulations, rules and policies of the Organization, the United Nations should also prioritize secondments and staff exchange programmes with private sector partners in order to promote reciprocal learning and understanding of working cultures and adopt

template agreements for secondments and staff exchange programmes to harmonize the legal framework.

Box 11

Staff exchange programmes between the United Nations and the private sector

UNICEF Sabbatical Programme

UNICEF, together with a global consumer products company, developed a three-month sabbatical programme where employees of the company contributed directly to the work of UNICEF for women and children worldwide. Employees, whose living costs and travel were paid by the company, joined UNICEF offices around the world to work on communication for development, fund-raising and operations. In 2010, five employees took part in the programme and were stationed in Cameroon, Macedonia and Mauritania.

United Nations Educational, Scientific and Cultural Organization (UNESCO) Secondment Scheme

In 2010, UNESCO benefited from the secondment of over 30 experts, mainly from non-governmental organizations and foundations, working in various areas of UNESCO expertise ranging from tsunami warning systems to intangible heritage, technical and vocational education and training and donor relations. UNESCO has introduced a new item in its Human Resource Manual to provide a standard framework for the conclusion of loan agreements of personnel to UNESCO, including from the private sector. By introducing model agreements and contracts, the new policy seeks to achieve a consistent and harmonized approach to loans, while offering the flexibility required for meeting the needs of UNESCO and its counterpart.

D. Improving the partner selection and engagement processes

50. Protecting the reputation of the United Nations is of crucial importance for maintaining the Organization's independence and credibility. As agencies, funds and programmes pursue more and larger-scale partnerships, the risk of damaging the reputation and credibility of the United Nations can also increase without proper mechanisms in place to screen potentially harmful collaborations.

51. The revision of the Guidelines on Cooperation between the United Nations and the Business Sector has led to more clarity on selection criteria, while also remaining flexible enough to adapt them as necessary to fit individual mandates.

52. The process for developing a system-wide due diligence screening solution for potential partners is an important step towards greater coherence. However, to ensure understanding among all relevant staff on how to utilize this tool, the criteria used for screening and the results of the screening process should be both transparent and clearly defined.

53. Survey respondents and interviewees report that the United Nations-business website is beneficial as a knowledge-sharing tool, but improvement is needed. The existence of the web portal should be better promoted within the United Nations system and among the business community. Moreover, the filtering mechanism for distributing partnership offers from potential private sector partners should be improved. The website can also be utilized as a tool for educating the private sector regarding the differentiation and complementarity of individual United Nations entities and mandates.

54. United Nations staff increasingly recognizes the potential of entrepreneurship and the importance of engaging companies at the country level. However, this engagement remains a challenge, with many stressing the higher transaction costs and lower direct benefits involved. To more effectively engage companies at the country level without placing an additional burden on Headquarters staff, the United Nations needs to improve the institutional capacity of country offices to enter into and maintain partnerships with the private sector. To avoid duplication of work and time lags, there needs to be a clear division of tasks between Headquarters and country offices. Moreover, the United Nations should ensure that country offices have the capacity to balance the potential benefits of partnerships while managing risk to the reputation and credibility of the United Nations. Global Compact Local Networks can be useful in this regard.

55. The One UN reforms have the potential to reduce transaction costs, provide a single point of entry into the United Nations, promote a coherent approach and enhance donor leverage. However, the One UN approach could be made more effective with improved infrastructure and skills as well as increased collaboration among agencies, funds and programmes. It is important that United Nations entities at the country level aim to define a common approach in addressing those issues. A successful example of an inter-agency initiative reflecting the spirit of the One UN approach is the United Nations Global Initiative to Fight Human Trafficking (UN.GIFT).

Box 12
United Nations Global Initiative to Fight Human Trafficking

In recognition of the multifaceted nature of trafficking in persons and the need for coordinated action, UN.GIFT was established as a global inter-agency initiative in 2007 by ILO, the International Organization for Migration (IOM), the Office of the United Nations High Commissioner for Human Rights (OHCHR), the Organization for Security and Cooperation in Europe, UNICEF and UNODC. These six entities form the UN.GIFT Steering Committee, which manages the initiative and coordinates the anti-trafficking efforts of its members and their respective networks. Over the past four years, UN.GIFT has successfully implemented a number of activities, including the organization of high-level events and various expert group initiatives, the piloting of a Small Grants Facility for civil society organizations, the development and implementation of joint programmes in six regions around the world, the publication of anti-trafficking tools, and awareness-raising campaigns with selected private sector companies.

56. While still a niche practice, there is a growing recognition of the need to introduce cost-benefit analyses in partnership selection. The United Nations should continue moving beyond the "partnerships for partnerships' sake" mentality, determine whether the benefit of any new partnerships outweighs the cost, and ensure that its presence in partnership activities is necessary and adds value.

E. Sharing best practices and lessons learned

57. Meetings of United Nations Private Sector Focal Points are acknowledged as being one of the most important ways to share best practices and lessons learned. In order to ensure that they remain relevant to senior partnership managers and high-level business representatives, the meetings should balance the need to push forward into new areas of discussion and the need to ensure that ongoing challenges outlined in the present report are also addressed.

58. Some agencies, funds and programmes are exploring knowledge management solutions for sharing best practices and lessons learned. Through hiring knowledge management specialists and the utilization of web-based technology tools, WFP and UNDP are investing in new platforms for ensuring lessons learned and best practices are documented and made available to present and future staff. Such systems can reduce transaction costs, increase efficiencies and mitigate the potentially detrimental effects of staff turnover. United Nations entities should consider investing in information technology tools for improving knowledge management of best practices and lessons learned.

F. Evaluation and impact assessment

59. Through evaluation, the United Nations can ensure that partnerships are accountable, effectively managed and contribute to learning processes and to United Nations development goals.

60. Survey respondents indicate that the role that monitoring and evaluation play in the development and implementation of partnerships, as well as perceptions of the overall value of evaluation, is minimal. In practice, over 40 per cent of the respondents indicated that none, or almost none, of their partnerships are evaluated. Most agencies, funds and programmes conduct evaluations internally using the same tools used to evaluate other projects. Only about 10 percent of respondents consider the lack of evaluations to be a key hurdle for the United Nations becoming a more effective partner. Interviewees also stress time constraints as a key reason for the lack of evaluation.

61. The United Nations needs to better communicate the role that evaluation plays in designing successful partnerships, while also mitigating fears of the staff concerned that evaluations may reflect poorly on their work. United Nations agencies, funds and programmes should adopt monitoring and evaluation approaches and include them from the beginning in the partnership design, including key performance indicators. Evaluations should also go beyond focusing only on financial, in-kind and administrative inputs and place a greater priority on measuring outputs such as results and impact.

VII. Recommendations

62. The United Nations has made considerable progress in promoting the role the private sector can play in achieving development goals and designing and implementing more effective, accountable and sustainable partnerships. However, there is room for improvement. Based on the previous section, the following concrete steps are recommended.

A. Strengthen the enabling environment for partnerships

63. United Nations entities should continue to develop more strategic approaches towards partnering with the private sector and achieving greater impact and scale. Those entities that have not already done so should develop standardized legal templates and utilize the new guidelines to speed up the partnership agreement process.

64. Member States should more actively support the United Nations mandate for partnering with the private sector through United Nations agencies, funds and programmes.

65. The website business.un.org should be better supported and promoted, both internally to United Nations staff and externally to the private sector.

66. The role and capacities of United Nations Resident Coordinators should be strengthened, and Global Compact Local Networks could help to support coordination and the application of global partnerships locally, as well as encourage coordination and lessons learned-sharing with United Nations private sector focal points.

67. An internal advisory group in the Secretariat should be created to ensure a more coherent approach to private sector partnerships across the United Nations and to make recommendations on partnership best practices and lessons learned.

B. Explore new partnership models for achieving impact and scale

68. To encourage the formation of multi-stakeholder partnerships, the United Nations can act as an agenda-setter while leveraging its convening power to bring the most relevant actors to the table.

69. Key enabling conditions and success factors for implementing transformational partnerships should be identified. To this end, recommendations resulting from the Global Compact LEAD Working Group, launched at the Private Sector Forum in September 2011, should be taken into account.

70. The United Nations should intensify efforts and improve knowledge-sharing on new innovative financing partnerships.

C. Improve capacity-building at all levels and training of United Nations staff

71. Existing United Nations staff with specialized partnering skills should be encouraged to further build their capacities to develop, implement and evaluate partnerships and consider including private sector experience as a qualification in job descriptions for partnership positions.

72. Subject to the provisions of the Charter of the United Nations and the regulations, rules and policies of the United Nations, the Organization and its agencies, funds and programmes could explore secondments and staff exchange programmes with private sector partners and adopt template agreements to harmonize the legal framework.

D. Improve the partner selection and engagement processes

73. The criteria used for due diligence screening of potential private sector partners and the results of the screening processes should be both transparent and clearly defined across the United Nations system.

74. At the country level, there needs to be a clear division of tasks and responsibilities between Headquarters, country-level management and partnership staff. United Nations entities should identify common issues and a common approach for engaging with the private sector. Moreover, skills are needed to effectively balance the potential benefits of partnerships while managing risk to the reputation and credibility of the United Nations.

75. United Nations entities should develop mechanisms for ensuring in advance that the potential benefits of any new partnership will likely outweigh the costs.

E. Share best practices and lessons learned

76. Meetings of United Nations private sector focal points should be designed to attract senior partnership managers and high-level business representatives to ensure more effective knowledge-sharing. Further, United Nations entities should consider investing in specialized knowledge management tools.

F. Evaluation and impact assessment

77. The United Nations needs to better communicate the role that evaluation plays in designing, conducting and learning from partnerships. United Nations entities should adopt monitoring and evaluation approaches and include them from the beginning of the partnership design. Such evaluations should go beyond measuring inputs and place a greater priority on measuring results and impact on United Nations goals.

VIII. Conclusion

78. The relationship between the United Nations and the private sector continues to evolve. Many United Nations agencies, funds and programmes have learned to move away from transactional partnership models towards more systematic, strategic and innovative approaches which have advanced the goals of the United Nations without new funding requirements from Member States.

79. The private sector can help to both revive the work of the United Nations and make the Organization more relevant in a rapidly changing political and economic environment. To that end, the United Nations is increasingly integrating the voice of the private sector into the work of the Organization. The Private Sector Track introduced at the Fourth United Nations Conference on the Least Developed Countries in Istanbul, Turkey, represents a major institutional milestone, one which has opened the door to more effective integration of the private sector into key United Nations summits such as the United Nations Conference on Sustainable Development, to be held in Rio de Janeiro in 2012.

80. The United Nations must continue to find innovative ways to achieve lasting impact. That includes identifying and replicating successful partnership models and pursuing new forms of collaboration, such as transformational partnerships and innovative development financing mechanisms; promoting inclusive local business solutions, sustainable market development and entrepreneurship; and harnessing and improving the skills of women.

81. As the United Nations moves forward with more strategic and innovative forms of collaboration with the private sector, the Organization must address key systemic and operational challenges in order to maximize the effectiveness of business contributions towards achieving United Nations goals while minimizing the risk to its reputation and credibility. To that end, efforts are needed to strengthen the enabling environment for partnerships, identify and replicate successful partnership models for achieving impact and scale, improve the partner selection and engagement processes and capacity-building and training of United Nations staff, particularly at the country level, share best practices and lessons learned and educate United Nations staff on the benefits and methods of evaluation and impact assessment.

82. As collaborations between the United Nations and the private sector become more widespread and more ambitious, appropriate steps are needed to ensure that the reputation and credibility of the United Nations are not put into jeopardy. Competition between United Nations entities for valuable corporate partners is emerging as a key issue as agencies, funds and programmes tailor their partnership strategies. United Nations entities should thus continue to engage in coordinating mechanisms, both at the global and the country level, in order to avoid a zero-sum mentality when engaging with potential private sector partners.

83. For the United Nations to more fully take advantage of collaborations with the private sector and to ensure that key goals are being achieved in a collaborative manner, it is critical that more long-term and strategic considerations be taken into account. That includes the need to address the recommendations submitted in the present report as well as further building up measures to protect the Organization's integrity, promote a culture of transparency and ensure alignment with the priorities set by Member States.